

Technical Assistance Update October 2001

★ **BTA Ratification**

On October 3, 2001, the U.S. Senate voted 88-12 in favor of extending non-discriminatory treatment or Normal Trading Relations (NTR) to Vietnam. H.J. Res 51 passed by voice vote in the House of Representatives on September 6, 2001. President Bush is expected to sign the bill the week of October 15, 2001. Next, the Vietnamese National Assembly will conclude its procedures. Once approved by the Government of Vietnam, the Trade Agreement will be brought into force with the exchange of notification between the two governments – hopefully by the end of 2001 or early 2002.

★ **BTA Summary**

The U.S.-Vietnam Trade Forum with Powell Goldstein Frazer and Murphy (PGFM), has completed a summary of the BTA. This summary is also being translated and is available through our Washington and Vietnam offices. The agreement remains in force for three years. The full text of the U.S.-Vietnam Trade Agreement can be accessed through the U.S. Trade Representative's website www.ustr.gov. The agreement, summary and other materials are available at the Trade Council's website old.usvtc.org.

ê **Ambassador Pete Peterson -- New Chairman of the Board**

The U.S.-Vietnam Trade Council is honored to welcome Ambassador Peterson to the role of Chairman of the Board of the U.S.-Vietnam Trade Council. Ambassador Peterson served as the first post-war ambassador to Vietnam, serving in Hanoi from 1997 until July 2001. The Council also welcomes to its Board BTA chief negotiator Joe Damond (now Director for International Government Relations, PhRMA); and Former Senior Advisor to the Ambassador, Robert Schiffer. Ambassador Peterson, Mr. Damond and Mr. Schiffer will join other distinguished members of our board to continue working on the Forum's technical assistance programs and on the Trade Council's overall mission of improving relations between our two countries.

★ **Transparency Study Tour**

We are pleased to be hosting a nine-member delegation of inter-agency experts responsible for implementing Vietnam's transparency obligations relating to the BTA. The delegation will be in Washington, DC October 20-30, 2001. Led by Mr. Duong Duc Quang – General Director of the Information and Press Center, Office of the Government the delegation will be inter-ministerial including the Ministry of Culture and Information, Ministry of Trade, Ministry of Justice, Supreme Court of Vietnam, National Assembly, Vietnam News Agency. The delegation's program will include sessions/workshops with the Federal Register, U.S. Trade Representative's Office, International Trade Commission, Department of Dan Price from PGFM and former chief negotiator Joe Damond. The delegation will meet with West Group Publishers Commerce, Office of the Law Revision Counsel and the Government Printing Office, plus in Eagan, Minnesota, Proctor and Gamble, and Transparency International. The Forum would like to thank Rob

Forden – Senior Economics Officer, U.S. Embassy, and John Bentley – Legal Advisor for UNDP, and Jean Gilson – AID in Hanoi for their assistance and input to the program.

★ **Customs Law**

With Dick Belanger of PGFM, the Forum has been providing technical assistance to the General Department of Customs on the new Customs Law, which passed the Vietnamese National Assembly in the summer 2001 session. Having worked on the draft, the Forum has completed an unofficial translation of the law and Mr. Belanger will be providing additional assistance and comments for the regulatory process with important input from the private sector. The unofficial English version of the law is available on our website.

★ **Tariffs and Financial Services Study Tour**

We are pleased to be planning to host six representatives of the Ministry of Finance responsible for BTA implementation in the area of tariffication and financial services, such as banking and accounting for a study tour in the U.S. in early 2002. Members of the delegation will conduct small sessions and workshops with various U.S. government agencies, including the International Trade Commission, USTR, U.S. Departments of Treasury and Commerce, Congress, trade associations, and companies in the financial services sector.

★ **Investment Law**

At the request of the Ministry of Planning & Investment, the U.S.-Vietnam Trade Forum's in country technical assistance team will begin work on conducting a review of Vietnam's Foreign Investment Law and its implementing regulations. The project will focus on working with MPI to assess Vietnam's investment regime and its compliance with provisions of the BTA, WTO principles, and international norms.

★ **Insurance Law**

With the U.S. Department of Commerce and industry associations participation the new insurance law has been drafted, passed by the National Assembly and the Forum will continue to assist with the implementing regulation process.

★ **Competition Law**

The Ministry of Trade has completed a second draft of its Competition Law and is preparing to submit it to the National Assembly for ratification in November. Larry Fullerton – Competition Policy Expert from Powell, Goldstein, Frazer & Murphy – who has provided technical assistance on this subject to Vietnam since 2000 will provide comments on the draft law at the request of the Ministry of Trade.

★ **Labor Delegation**

The Forum has invited the Vice Minister of the Ministry of Labor and Social Welfare and a delegation from MOLISA to visit the U.S. on labor issues. We will work to arrange meetings with U.S. federal government agencies, such as the U.S. Departments of State and Labor and USTR, labor unions, Congressional offices, non-governmental organizations, and with the private sector. We expect the trip later this year or early next.

★ **Trade Remedies, Antidumping, Safeguards and Countervailing Duties**

At the request of the Ministry of Finance, Legal Resident Advisor Lisa Yarmoshuk provided technical assistance on issues relating to countervailing measures, antidumping and comparative information on the implementation experiences of other developing countries. Ms. Yarmoshuk conducted small workshops with the ministry and provided documents on what other countries have instituted in this area. Other issues in discussions and research raised included GATT Article III violations of Vietnam's VAT and Special Consumption Tax Law and the elimination of surcharges. The Forum has also held roundtable discussions on Trade Remedy Laws to the Ministry of Trade's Multilateral Integration Department.

ê **ICSID Accession**

Legal Resident Advisor Lisa Yarmoshuk met with the Ministry of Planning & Investment to discuss issues relating to Vietnam's ICSID Accession. Materials and articles from various ICSID Journals were also provided as requested. Further follow up on ICSID will be ongoing.

ê **BTA Implementation – Impact on Vietnamese Businesses**

On September 5, 2001 at the invitation of Vietnam's National Committee for International Integration, Resident Legal Advisor Lee Baker presented to audience of over 125 business representatives a discussion on the possible impact of the ratification of the BTA. Discussions also included legal, regulatory and cultural aspects of doing business with American companies.

★ **Catalogue of New Laws and Regulations**

We continue to update our Catalog of Legal Reform as Vietnam issues new regulations to bring the BTA into force. This catalog is available through our member's website at old.usvtc.org. Some significant updates this month include the soon to be issued Decree of the Government Providing in Detail on the Implementation of Ordinance No. 37-2201-PL-UBTVQH10 dated July 25, 2001 of the National Assembly Standing Committee on the Ordinance of Lawyers, and implementing regulations (Decision No. 980/2001/TCHQ dated October 10, 2001) affected by the new Customs Law to help streamline customs procedures.

★ **Ministry of Foreign Affairs Website**

The Economic Integration Department of the Ministry of Foreign Affairs has requested help in building a website detailing Vietnam's efforts to conform to bilateral and multilateral economic regimes. The Forum provided electronic guides and databases per their request. Their now up and running website can be accessed at www.mofa.gov.vn

The U.S.-Vietnam Trade Forum, the educational affiliate of the U.S.-Vietnam Trade Council, has been providing technical assistance on international trade and commercial policy to Vietnam since 1997 with the support of U.S. AID, the Bureau of Educational and Cultural Affairs at the Department of State, and private sector support.